

LAW SECRETARIAT

Places Sri S. G. Narasimhaiya on Special Duty to be in charge of arrangements in connection with the Constituent Assembly Meetings commencing from the 4th August 1949.

ORDER No. R.L. 203-10—R.A. 2-49-1, DATED BANGALORE, THE 29TH JULY 1949.

Sri S. G. Narasimhaiya, Assistant Secretary to Government, is placed on special duty to be in charge of arrangements in connection with the Constituent Assembly Meetings commencing from the 4th August 1949.

The members of the Constituent Assembly are requested to place themselves in communication with Sri S. G. Narasimhaiya, for any information or assistance that they may require at Bangalore, during the meetings of the Constituent Assembly.

The Deputy Commissioner, Bangalore District, the Municipal Commissioner, City Municipality, Bangalore, the General Manager, Mysore State Railway, the Chief Electrical Engineer, Bangalore, the Executive Engineer, Buildings Division, Bangalore, are requested to render all reasonable help to the Officer on Special Duty.

B. S. PUTTASWAMY,

Legal Rembrer. and Law Secy.

Constitutes the Committee on Public Accounts for the year 1949-50.

Order No. R. L. 82-172—L.O. 4-49-2, dated Bangalore, the 26th July 1949.

In pursuance of the provisions of rule 74 of the Mysore Legislative Rules, 1941, regarding the constitution of a Committee on Public Accounts, it is hereby notified that the Committee on Public Accounts shall consist of the following members for the year 1949-50 :—

A. Elected by the Legislative Council.

1. Sri S. Veerabasappa, B.A., LL.B.
2. Sri N. Channappa, B.A., B.L.
3. Sri K. Rangengar, B.A., B.L.
4. Srimathi K. Kamala Devi, B.A.

B. Nominated by Government.

1. The Revenue Commissioner in Mysore, Bangalore.
2. The Secretary to Government, Finance Department.

In pursuance of sub-rule (2) of Rule 74 of the aforesaid Rules, the Dewan is pleased to appoint the Minister for Finance and Industries as the Chairman of the Committee.

The Assistant Secretary, Finance Department, will be the *ex-officio* Secretary to the Committee.

The Committee will review the Audit and Appropriation Report for the year 1948-49.

B. S. PUTTASWAMY,

Legal Rembrer. and Law Secy.

Records the Administration Report of the Income-tax Department for the year 1947-48.

READ—

Report on the working of the Department of Income-tax for the year 1947-48, received with letter No. Per. G. 10-48-49, dated 15th October 1948, from the Commissioner of Income-tax in Mysore, Bangalore.

2. Correspondence ending with letter No. Per. Y. 10-48-49, dated 17th December 1948, from the Commissioner of Income-tax in the matter.

ORDER No. FL. 440-46—I.T. 1-49-2, DATED BANGALORE, THE 2ND AUGUST 1949.

Recorded.

Organisation.

2. The re-organisation of the Income-tax Department which was sanctioned in February 1947, came into effect from 1st July 1947. Three Deputy Commissioners for the

three Divisions and seven Income-tax Officers for the seven Circles were also appointed from 1st July 1947 in addition to one Headquarter Assistant to the Commissioner of Income-tax. Two more Gazetted Probationers were recruited to the Department in July 1947 in addition to four taken in August 1946 with a view to appointing them as Income-tax Officers on completion of their training. Thirteen Probationary Income-tax Inspectors were appointed by Government in July 1947. These measures were taken in the wake of the constitution of the Income-tax Department into a separate one as stated above.

Working of the Department.

3. *Issue of Notices and Assessment.*—Notices calling for returns of income were issued in 15,418 (12,460) cases, returns were received in 11,430 (9,455) cases and 2,415 (2,115) were accepted as correct. Accounts were called for in 7,617 (7,080) cases and accepted in 4,210 (4,377) cases. The total number of cases assessed to tax was 8,836 (7,005), including 176 (208) companies and 132 (120) registered firms. The increase in the number of assessed cases was due to a more careful scrutiny of the accounts and the bringing of fresh cases on file. Applications under Section 27 of the Income-tax Act for cancellation of the assessment were received in 371 (314) cases. Of these, the order of assessment was reopened in 202 (217) cases.

Compared to the figures of the previous year (1946-47) there has been increase in the number of assessed cases. But, of the notices issued calling for returns of income, 745 notices have not been served. It is necessary to see that no arrears are left over in the service of notices so as to ensure that persons who have ability to pay do not escape taxation.

4. *Demand, Collection and Balance.*—The net demand and collections excluding refunds under income-tax amounted to Rs. 83,74,481 (Rs. 97,51,608) and Rs. 70,48,375 (Rs. 79,52,590), respectively. The net demand under super-tax was Rs. 44,61,029 (Rs. 64,75,822) of which a sum of Rs. 39,70,043 (Rs. 54,74,147) was collected. The number of cases assessed to super-tax was 263 (327). The fall in revenue under income-tax and super-tax during the year under report is attributable to the general trade depression. The demand under Excess Profits Tax amounted to Rs. 33,29,480 (Rs. 96,95,958). Government desire that there should be brisker collection of tax.

5. *Incidence of Taxation.*—The incidence of taxation per head of population under income-tax calculated on the resultant demand was Rs. 1-0-4 as against Rs. 1-2-5 in the preceding year. Under Super-tax it was Re. 0-9-7 as against Re. 0-14-5 in the previous year. This position is to a degree traceable to the depression in trade.

6. *Appeals.*—There were 759 (512) appeals of which 303 (299) were successful. Out of 29 (58) which came up for review 19 (44) were disposed of.

7. *Civil Area.*—The Income-tax Department of the Bangalore Civil Area came under the control of the Commissioner of Income-tax in Mysore, from the date of its Retrocession to Mysore.

8. The total demand including arrears of the Civil Station, Bangalore, under Income-tax, Super-tax and Excess Profits Tax amounted to Rs. 1,05,87,822 of which a sum of Rs. 76,18,501 was collected leaving a balance of Rs. 29,69,321.

9. The arrears are large and prompt action should be taken by the Department to improve the collections.

10. *General.*—The working of the Department was satisfactory during the year under report. This is the first year of report after the Department was organised into a separate one and Government hope to find marked improvement in the next report in all directions, especially in bringing fresh cases on file calculated to improve revenue and to arrest escape from taxation.

B. S. PUTTASWAMY, *Law Secy.*